

BENES Act: Bringing Clarity to Medicare Enrollment

Many people who delay retirement beyond age 65 are unaware that they should actively sign up for Medicare¹. Delaying Medicare Part B enrollment can lead to lifetime late enrollment penalties, lengthy gaps in coverage, unexpected out-of-pocket health care costs and even delayed access to needed care.

In 2018, approximately **760,000** people paid lifelong Part B late enrollment penalties, with the average penalty amounting to a **28% increase** in their monthly premiums². The penalty is much larger for those who delay enrollment for multiple consecutive years. Further, in some cases, older adults and people with disabilities may find out too late that their private coverage (such as retiree insurance or a COBRA plan) is “secondary” to Medicare. For many of these people, relying on their insurance instead of signing up for Medicare can leave them with surprise medical bills to pay.

Bipartisan, bicameral legislation has been introduced to help people avoid the harms of delayed Medicare enrollment.

The **Beneficiary Enrollment Notification and Eligibility Simplification Act (BENES) Act** would:

- Provide people with advance notice on how and when to sign up for Medicare;
- Minimize gaps in Medicare Part B coverage;
- Align Medicare enrollment periods to help limit confusion; and
- Allow the federal government additional flexibility to create special enrollment periods.

Original Senate Sponsors: Senators Bob Casey (D-PA), Todd Young (R-IN), Susan Collins (R-ME), Debbie Stabenow (D-MI), Rob Portman (R-OH) and Christopher Coons (D-DE).

Original House Sponsors: Representatives Raul Ruiz (D-CA), Jackie Walorski (R-IN), Brad Schneider (D-IL) and Gus Bilirakis (R-FL).

1 *Individuals receiving Social Security benefits are auto-enrolled in Medicare. Those who delay filing and are still working may or may not be able to delay Medicare Part B enrollment without penalty or gaps in coverage.*

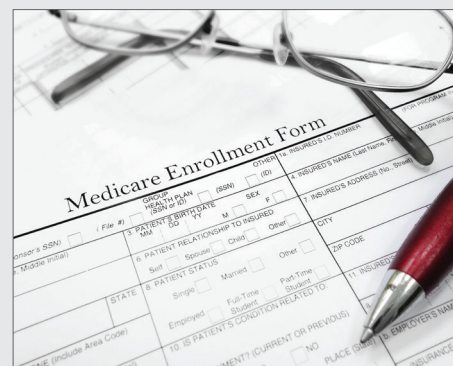
2 <http://www.crs.gov/reports/pdf/R40082>

CASE STORY

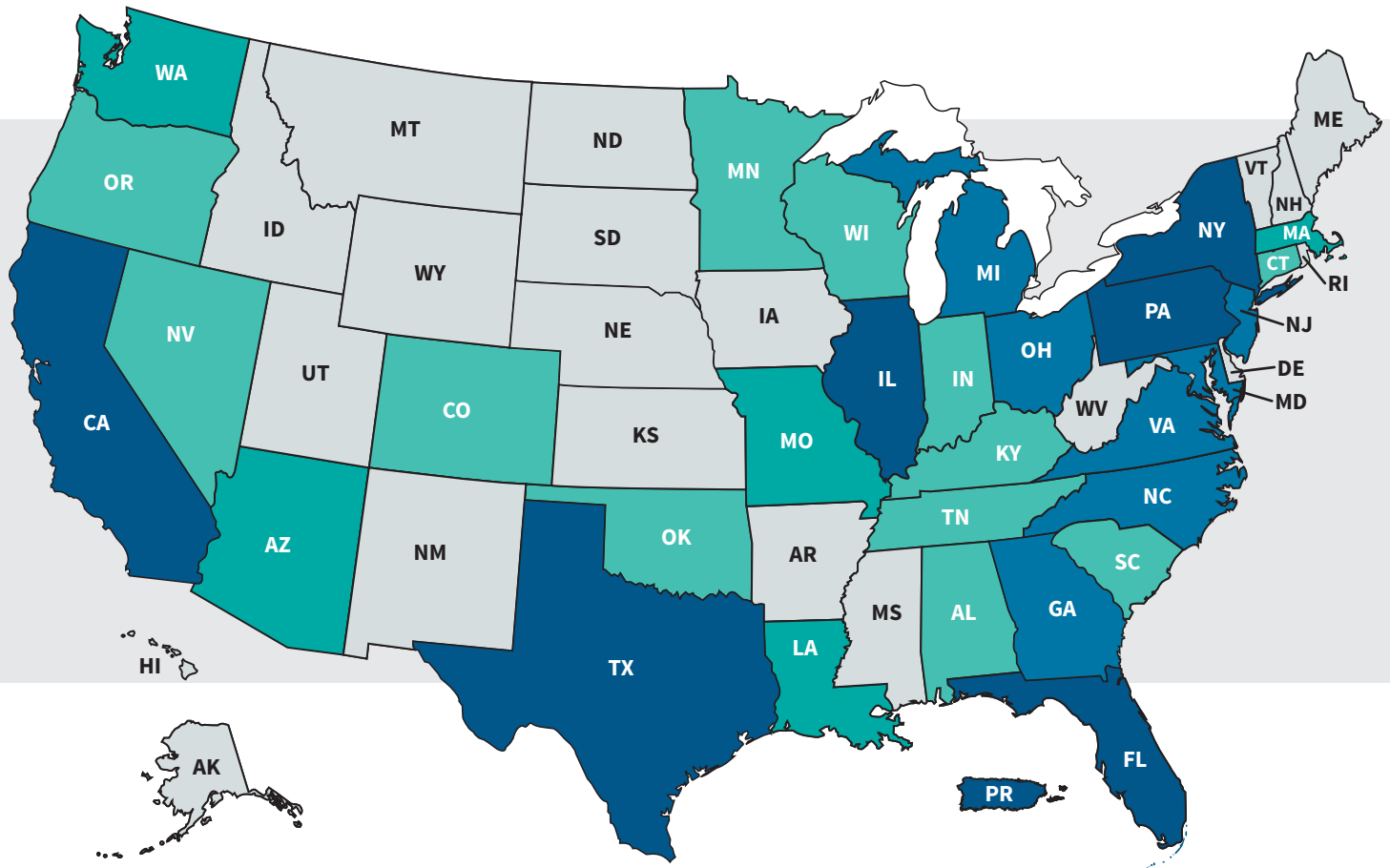
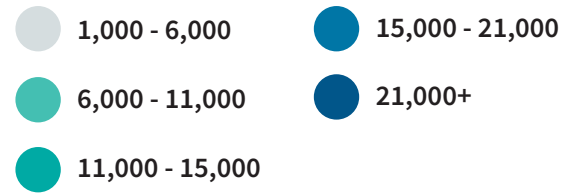
Ms. Zgoda (Pennsylvania) is an 83 year-old widow. Her husband always took care of their finances, so she trusted him when he said they did not need to take Medicare Part B because they were already covered by his federal benefit health plan.

But, when he passed away, she was not able to keep her husband’s health plan. When Ms. Zgoda tried to sign up for Medicare, she was told she would have to pay a Part B late enrollment penalty for a lifetime. The penalty made Medicare’s outpatient coverage unaffordable on her fixed income.

Ms. Zgoda wishes that she and her husband received better information before she turned 65 so that they would have been able to make a more informed decision about signing up for Medicare. The BENES Act would have ensured that Ms. Zgoda and her husband received accurate and timely information about the potential consequences of not signing up for Medicare Part B.



People with Medicare Paying a Part B Late Enrollment Penalty By State/Territory



Alabama	8,778
Alaska	1,776
Arizona	14,857
Arkansas	5,120
California	82,721
Colorado	9,861
Connecticut	6,791
Delaware	1,982
District of Columbia	2,869
Florida	51,700
Georgia	18,136
Hawaii	3,841
Idaho	2,974
Illinois	24,257
Indiana	9,077
Iowa	3,284
Kansas	3,993
Kentucky	7,452

Louisiana	11,025
Maine	2,621
Maryland	17,424
Massachusetts	14,456
Michigan	16,849
Minnesota	7,726
Mississippi	4,878
Missouri	11,299
Montana	2,443
Nebraska	2,452
Nevada	8,073
New Hampshire	3,215
New Jersey	20,514
New Mexico	5,980
New York	49,341
North Carolina	16,642
North Dakota	1,117
Ohio	17,737

Oklahoma	8,071
Oregon	8,119
Pennsylvania	25,195
Puerto Rico	38,343
Rhode Island	2,581
South Carolina	9,533
South Dakota	1,414
Tennessee	10,966
Texas	59,167
Utah	5,075
Vermont	1,178
Virginia	19,322
Washington	13,991
West Virginia	3,414
Wisconsin	7,017
Wyoming	1,192

Source: Centers for Medicare and Medicaid Services, 2017

*Other/Unknown: 8,409